

Homestead ACT

7-66-101. Title. —

This chapter shall be known and may be cited as the "Tennessee Homestead Act."

[Acts 1985, ch. 281, § 1.]

7-66-102. Chapter definitions. —

As used in this chapter, unless the context otherwise requires:

- (1) "Administering agency" or "agency" means that organization that has been designated pursuant to the terms of this chapter to administer the provisions of the Tennessee homestead program;
- (2) "Conveyance property" means that real property that shall be subject to conveyance by sale or by lease upon compliance with certain conditions and terms;
- (3) "Homestead agreement" or "agreement" means that contract between the homesteader and the administering agency relative to participation in the homestead program;
- (4) "Homesteader" means that person, corporation, partnership, or joint venture that has been designated pursuant to the provisions of this chapter to receive, lease, occupy, rehabilitate or renovate real properties declared to be held for the program as provided in this chapter; and
- (5) "Program," "homestead program," or "Tennessee homestead program" means the plan of procedure as provided in this chapter by the provisions of the Tennessee Homestead Act.
[Acts 1985, ch. 281, § 2.]

7-66-103. Purpose of chapter — Property affected. —

This chapter shall provide for an alternative method for the acquisition and the disposition of real property owned by units of local government. This property shall include, but shall not be limited to, the following:

- (1) Real property brought in by units of local government at delinquent tax sales;
- (2) Other real property purchased by units of local government;
- (3) Real property made available by other local, state or federal governmental agencies; and
- (4) Real property made available to the local units of government by a private party.

[Acts 1985, ch. 281, § 3.]

7-66-105. Implementation plan. —

Upon election to participate in the program, the executive of the local unit of government shall develop an implementation plan, which shall be subject to majority approval by the local legislative body and shall include the following:

- (1) Designation of the agency that shall administer the program. Such agency may be an existing agency or a new agency created for purposes of administering the program;
- (2) A description of the method of selection of the properties that are to be assigned to participate under the provisions of this chapter;
- (3) A description of the conditions and criteria that shall be used to select homesteaders for participation in multi-family housing development;
- (4) A description of the conditions and criteria that shall be used to select homesteaders for participation in single family housing units;
- (5) A description of the conditions and criteria for conveyance of property to homesteaders, whether by deed or by lease;
- (6) A description of building standards and codes that shall apply to the designated properties and the methods of monitoring these standards;
- (7) A description of the approach that shall be taken to coordinate the homesteading program with state and federal agencies;
- (8) A description of technical and financial assistance and incentives that shall be available to homesteaders;
- (9) A description of the methods by which property shall be acquired and disposed of; and
- (10) Other conditions and criteria as deemed to be in the public interest.

[Acts 1985, ch. 281, § 5.]

7-66-106. Properties assigned to program — Notice — Removal. —

- (a) Declaration of properties that shall be assigned to the program must be made by public notice.
 - (b) Properties declared to be in the program shall remain in such program until removed by the administering agency and public notice of such removal is given.
- [Acts 1985, ch. 281, § 6.]

7-66-107. Provisions governing assigned property. —

(a) Properties that have been assigned to the program shall be governed exclusively by the terms of this chapter.

(b) Properties assigned to the program originating from federal governmental agencies shall be administered, conveyed, and disposed of in the manner prescribed by the laws, rules and regulations pertaining to such properties.

[Acts 1985, ch. 281, § 7.]

7-66-108. Conveyance or leasing of real property. —

The administering agency shall convey or lease the real property acquired for purposes of this chapter to those persons who have been designated as homesteaders, subject to such terms and conditions as shall be established by the agency.

(1) Upon compliance with such terms and conditions, that property that is designated as conveyance property shall be conveyed to the homesteader by fee simple title.

(2) Prior to the vesting of a fee simple title in the homesteader, any material failure by the applicant to carry out the homesteader's homestead agreement entered into pursuant to the terms of this chapter nullifies such agreement; the use and enjoyment of the property terminates; and all rights, title and interest in and to the property shall revert to the agency, except that the agency may grant the homesteader a specified period of time, not to exceed two (2) years, to come into compliance with the terms of the homestead agreement.

(3) (A) Any taxes, penalties, interest, and other fees assessed any property designated as homestead property under this chapter, and conveyed in accordance with the chapter, and title transferred in accordance with the terms and conditions as set forth by the local administering agency, shall be forgiven upon such transfer, if such forgiveness has been authorized by the legislative body of the affected municipality, or county, or both.

(B) Upon transfer, the property shall no longer be deemed homestead property and shall be subject to any and all taxes and assessments as prescribed by all other sections of the code.

[Acts 1985, ch. 281, § 8; 1986, ch. 914, § 1.]

7-66-109. Rules and regulations. —

The director of the agency shall prescribe such rules and regulations, including rules and regulations establishing standards and methods for the inspection of the building, the measure of rehabilitation progress, and such other rules and regulations as may be necessary to carry out the provisions of this chapter.

[Acts 1985, ch. 281, § 9.]

7-66-110. Exemption from taxation. —

Any property held under this chapter with retention of the deed by the local governmental unit is deemed to be the property of the local governing unit held for public purposes and is exempt from property taxation.

[Acts 1985, ch. 281, § 10.]